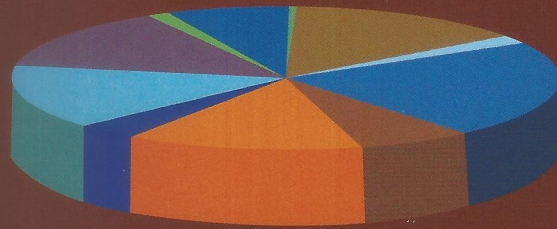
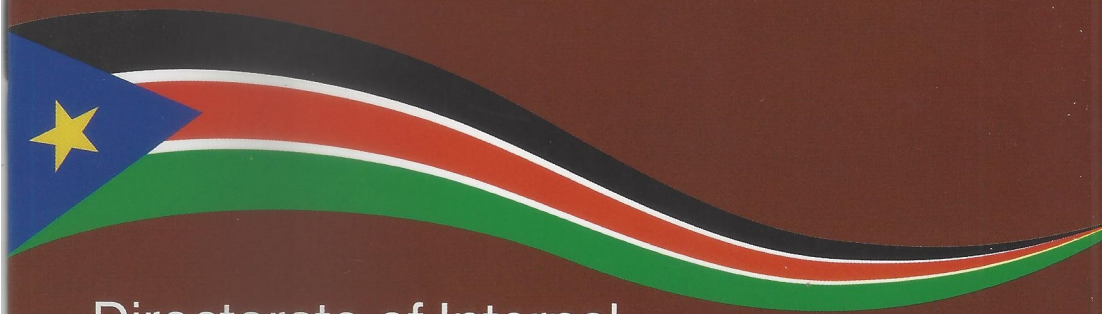


**Republic of South Sudan
Ministry of Finance and Planning**



**INTERNAL AUDIT CHARTER
2017**



Directorate of Internal
Audit and Inspection

Ministry of Finance and Planning
INTERNAL AUDIT CHARTER

I. INTRODUCTION

This Charter establishes the purpose, authority and responsibilities conferred by the Ministry of Finance and Planning on the Directorate of Internal Audit and Inspection in accordance with Government policy on internal audit within the Government of the Republic of South Sudan.

It has been prepared in order to support an effective and professional Internal Audit Directorate in the Ministry of Finance and Planning, consistent with best practice and the Government's efforts at public financial management reforms.



II. MISSION AND SCOPE OF INTERNAL AUDIT WORK

The mission of the Directorate of Internal Audit is to provide independent, objective assurance and advisory services designed to improve systems of internal financial control in MoF&P. It helps [MoF&P] accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The scope of work of the Directorate of Internal Audit is to determine whether the network of risk management, internal financial control, and governance processes in [Ministry of Finance and Planning], as designed and represented by its management, is adequate and functioning in a manner to ensure that:

- Financial, managerial, and operating information is accurate, reliable, and timely.

management and formally reported to the Accounting Officer and the Minister.

III. INTERNAL AUDIT ACCOUNTABILITY

The **Director General** of Internal Audit, in the discharge of his/her duties, shall be accountable to the Minister (and the Accounting Officer) to:

- Provide annually an assessment on the adequacy and effectiveness of the systems of internal financial control in **Ministry of Finance and Planning** and the sufficiency of the Internal Audit Directorate's resources.
- Report significant issues related to the processes for controlling the activities of **MoF&P** and its affiliates, including potential improvements to those processes and provide information concerning such issues through resolution.



- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations.
- Resources are acquired economically, used efficiently, and protected adequately.
- Risks are appropriately identified and managed.
- Interaction with the various governance groups occurs as needed.
- Programme and project objectives are achieved.
- Significant legislative or regulatory issues impacting the organization are recognized and addressed properly.

Opportunities for improving management control, reducing fraud and corruption and waste may be identified during audits. These will be communicated to the appropriate level of

- Provide quarterly reports on the status and results of the annual audit plan.
- Coordinate with, and provide oversight of, other control and monitoring functions (e.g., risk management, compliance, security, legal, ethics, environmental, and external audit).

IV. INDEPENDENCE OF INTERNAL AUDITORS

Independence is paramount to internal audit effectiveness and efficiency. Internal auditors should be independent of the organisations and systems which they audit. To provide for the independence of the Internal Audit Unit , its personnel report to the Head of Internal Audit, who reports administratively to the Minister (and also provides its formal reports to the Director General of Internal Audit at MoF&P in a manner outlined in the above section on Internal Audit Accountability.



V. RESPONSIBILITIES FOR THE INTERNAL AUDIT UNIT

a) Responsibilities of the Accounting Officer and Management

The Accounting Officer and Management of Ministry of Finance and Planning have overall responsibility of ensuring that adequate budgetary resources and other logistics are provided and allocated to the Internal Audit Directorate of MoF&P to enable it function effectively.

It is also the responsibilities of the Accounting Officer and Management of Ministry of Finance and Planning to:

- Define organizational objectives
- Formulate Policies, set procedures and design appropriate and effective internal controls to achieve the organisational controls.
- Monitor effectiveness of controls in achieving the organisational objectives



- Continuously assessing the risks inherent in the operations/activities of MoF&P.

b) Responsibilities of the Directorate of Internal Audit.

The Directorate of Internal Audit and Head/staff of the Internal Audit Unit have responsibility to:

- Develop a flexible annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the Minister for review and approval.
- Implement the annual audit plan, as approved, including, and as appropriate, any special tasks or projects requested by management and the Accounting Officer.
- Establish a quality assurance programme by which the Head of Internal Audit assures the operation of internal auditing activities.
- Perform advisory services, beyond internal audit's assurance services, to assist management in meeting its objectives. Examples

may include facilitation, process design, training, and other advisory services.

- Issue periodic reports to the Minister and Accounting Officer and management summarizing results of audit activities.
- Assist in the investigation of significant suspected fraudulent activities within the organization and notify management and the Accounting Officer of the results.

c) Responsibilities of Other Directorates and Departments

In order to enhance the level of assurance provided to the Minister, the Director Generals/Heads of all Directorates/Departments/Units of Ministry of Finance and Planning and other Spending Agencies shall cooperate fully with the Internal Audit Unit and grant unrestricted access to records, documents and information required for their audits and, in particular, shall:



- Provide, or instruct their staff to provide, access to whatever personnel, records and facilities deemed necessary by the Internal Audit Unit to fulfil its responsibilities; and
- Act, or instruct their staff to act, as directed by the Minister or the Accounting Officer or anybody in that position to remedy deficiencies noted by the internal audit staff, and to report on the actions taken in a timely manner.

VI. Prohibited Responsibilities

The Director General of Internal Audit and staff of the Directorate of Internal Audit are not authorised to:

- Perform any operational duties (non-audit functions other than training and advisory services) for the organization or its affiliates.



- Initiate or approve accounting transactions external to the Directorate of Internal Audit (beyond the approval of payment vouchers of the Directorate of Internal Audit).
- Direct the activities of any organization employee not employed by the Directorate of Internal Audit.

VII. AUTHORITY OF INTERNAL AUDITORS

The Director General of Internal Audit and staff of the Directorate of Internal Audit are authorised to:

- Have unrestricted access to any Ministry/Commission/Corporation offices, functions, records, property, and personnel.
- Have full and free access to the Minister and the Accounting Officer.



- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives.
- Obtain the necessary assistance of personnel in units of the organization where they perform audits, as well as other specialised services from within or outside the organization.

VIII. INTERNAL AUDITING STANDARDS

The Directorate of Internal Audit will be guided in its work by the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.

IX. APPROVAL AND ENDORSEMENTS

The Internal Audit Charter is hereby approved by the Minister and endorsed by the Accounting Officer and the Director General of Internal Audit and Inspection.



Hon. Stephen Dhieu Dau
Minister of Finance and Planning

Signature: 
Date: 22.02.2017



Wani Buyu Dyori
Undersecretary of Planning

Signature: 
Date: 06 MAR 2017

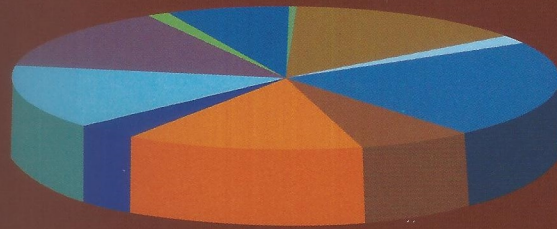


Peter Ajang Nyibong
Ag.D/General of Internal Audit and Inspection

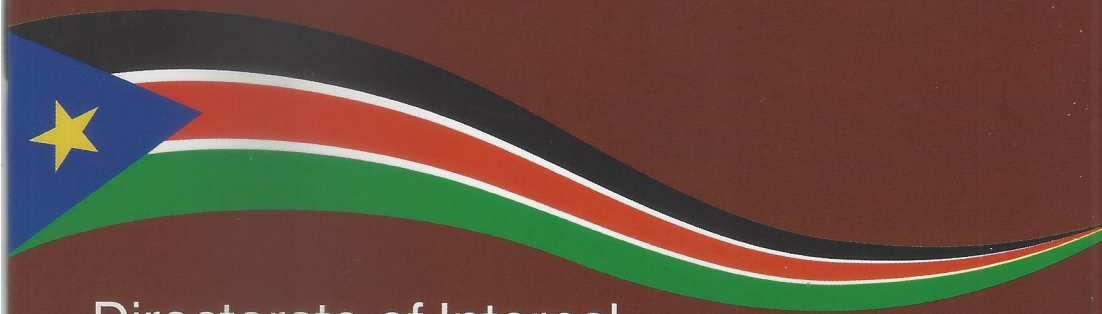
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